REMARKS

INTRODUCTION

Claims 1-31 were previously pending and under consideration.

Claims 11, 12, 28 and 29 have been cancelled.

Therefore, claims 1-10, 13-27 and 30-31 are now pending and under consideration.

Claims 16 and 17 are allowed.

Claims 1-15 and 18-31 are rejected.

Claim 15 is objected to.

Claims 1-5, 13, 15, 18-22 and 30 are amended herein.

No new matter is being presented, and approval and entry are respectfully requested.

CLAIM OBJECTIONS

Claim 15 is objected to because of informalities, which have been corrected.

REJECTIONS UNDER 35 USC § 103

In the Office Action, at pages 2-5, claims 1-15 and 18-31 were rejected under 35 U.S.C. § 103 as being unpatentable over Nhaissi in view of applicant's admitted prior art. This rejection is traversed and reconsideration is requested.

ACCOUNT/SUBSCRIPTION LEVEL INVITATION AND REQUEST TO JOIN HIERARCHY

Claims 1 and 18 recite "sending an account/subscription level invitation to one or more telecommunication entities to join a hierarchy", based upon which an invited telecommunication entity requests to join the hierarchy. For example, and inviting account may send an invitation to another account, and the other account may reply with a request to join the inviting account's hierarchy. In contrast, as discussed below, Nhaissi does not discuss invitations as recited

above, but rather discusses requests for carrier codes from a customer who has already chosen to use a universal exchange.

The rejection proposes that column 6, lines 6-39 of Nhaissi discloses sending an invitation to one or more entities to join a hierarchy. At column 6, lines 15-20, Nhaissi states that "[i]n response to message requests from the universal exchange computer *during an initialization procedure*, the customer will provide the carrier codes for the multiple prepaid telephone calling cards and for the multiple telephone accounts held by the customer." The requests mentioned in column 6 of Nhaissi are not invitations to join a hierarchy but rather are human or computer prompts for initial subscriber information that the universal exchange needs for a new customer, such as payment information, and calling cards or telephone accounts held by the new customer. The initialization requests in Nhaissi occur after the customer has already decided to join or participate in the universal exchange and are therefore not invitations to join. Furthermore, Nhaissi does not discuss or suggest an invitation at the account/subscription level. See column 10, lines 10-35 for further explanation of the initialization process in Nhaissi.

The rejection compares claim 1's request to join the hierarchy based upon the invitation to column 6, lines 15-39 and column 10, lines 10-18 of Nhaissi. Again, Nhaissi is concerned with implementing a universal exchange, and does not disclose any detail about how a hierarchy may be joined, and in particular by an account/subscription level invitation.

Withdrawal of the rejection of claims 1 and 18 is respectfully requested.

NHAISSI DOES NOT DISCLOSE TRANSFERRING VALUE BETWEEN ACCOUNTS OR SUBSCRIPTIONS IN THE HIERARCHY

Claims 1 and 18 recite "transferring value between one or more accounts/subscriptions in the hierarchy". The rejection cites a user's ability to utilize a "mixture of prepaid telephone calling cards and post-paid telephone accounts" when making a call. However, in Nhaissi value is transferred between the user of the universal exchange and the operator of the universal exchange, or between the provider of the pre/post paid telephone cards/accounts and the user thereof. There is no discussion of a transfer of value between a card/account and another card/account of a user of the universal exchange. Value is transferred from the least expensive card/account, which is chosen at the time of a given call.

Serial No. 09/739,747

Withdrawal of the rejection of claims 1 and 18 is respectfully requested.

NHAISSI DOES NOT DISCLOSE RELOADING FROM ONE OR MORE ACCOUNTS OR SUBSCRIPTIONS IN THE HIERARCHY

Claims 1 and 18 also recite "reloading one or more accounts/subscriptions with configurable different values from one or more accounts/subscriptions in the hierarchy". The cited portion of column 9 (lines 53-67) does not disclose this feature.

Withdrawal of the rejection of claims 1 and 18 is respectfully requested.

NO PRIMA FACIE OBVIOUSNESS: INSUFFICIENT MOTIVE TO COMBINE REFERENCES

It is also respectfully submitted that the motivation to combine the Applicant's Prior Art (APA) with Nhaissi is insufficient to establish a prima facie case of obviousness. The rejection states that the combination is motivated because "it is typical or traditional or well known to" create customer hierarchies. However, a §103 motivation must show what would lead one skilled in the art to make the combination. The MPEP §2143.01 states that the fact that prior art references are combinable does not render the combination obvious unless the prior art also suggests the desirability of making the combination. The motive provided in the present rejection does not indicate why one would desire to create customer hierarchies in Nhaissi. If a feature of one prior art reference could be added to another prior art reference on the basis that the feature is well known, then any combination could be rendered obvious. The prior art must show why it would be desirable to add the well known feature.

DEPENDENT CLAIMS

The dependent claims are deemed patentable due at least to their dependence from allowable independent claims. These claims are also patentable due to their recitation of independently distinguishing features. For example, claim 2 recites adding "a pre-paid account of a sender of the request." This feature is not taught or suggested by the prior art. Withdrawal of the rejection of the dependent claims is respectfully requested.

Serial No. 09/739,747

CONCLUSION

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,

STAAS & HALSEY LLP

Date: _ 5 FE3 2004

Registration No. 48,702

1201 New York Avenue, NW, Suite 700

Washington, D.C. 20005 Telephone: (202) 434-1500

Facsimile: (202) 434-1501